

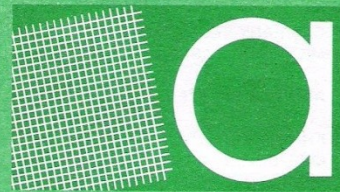
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**ASHFAQ TEXTILE MILLS
LIMITED**

Mailing Address:

8.A, Officers Colony No.1, Susan Road, Faisalabad- Pakistan
Tel: +92-41-8740101-5 Fax: +92-41-8740106



**1st. Quarter Report
September 30, 2013
(Unaudited)**

Ashfaq Textile Mills Ltd.

COMPANY INFORMATION

CHIEF EXECUTIVE/MANAGING DIRECTOR
MR. ASHFAQ AHMED

EXECUTIVE DIRECTORS
MR. NADEEM ASHFAQ
MR. WASEEM ASHFAQ

NON-EXECUTIVE DIRECTORS
MR. AMJAD ASLAM
MRS. SHAZIA AMJAD
MRS. NAZIA IRFAN
MIRZA MUHAMMAD IDREES

INDEPENDENT NON-EXECUTIVE DIRECTORS
KHAWAJA MUHAMMAD ILYAS

COMPANY SECRETARY
MR. WASEEM ASHFAQ

AUDIT COMMITTEE

KH. MUHAMMAD ILYAS (Chairman)
MRS. SHAZIA AMJAD (Member)

MIRZA MUHAMMAD IDREES (Member)

**HUMAN RESOURCES AND
REMUNERATION COMMITTEE**
MR. AMJAD ASLAM (Chairman)
MRS. NAZIA IRFAN (Member)
KH. MUHAMMAD ILYAS (Member)

CHIEF FINANCIAL OFFICER (CFO)
MR. MUHAMMAD ANWAR JAWED

BANKERS
UNITED BANK LIMITED.

AUDITORS
M/S AVAIS HYDER LIAQAT NAUMAN,
CHARTERED ACCOUNTANTS

SHARE REGISTRAR
M/S CONSULTING ONE (PVT) LTD.
478-D, PEOPLES COLONY # 1, FSD.

MAILING ADDRESS:
8/A-1, OFFICERS COLONY, SUSAN
ROAD, FAISALABAD.

REGISTERED OFFICE / MILLS
17TH K.M. MAIN FAISALABAD
JARANWALA ROAD, FAISALABAD.

TELEPHONES
MILLS PHONE: 041-8740101-05
FAX : 041-8740106
E-mail : info@ashfaqtextile.com
WEB : www.ashfaqtextile.com

DIRECTOR'S REPORT TO THE SHARE HOLDERS

Dear Share Holders,

We are pleased to present our Quarterly un-audited accounts for the period ended 30th September 2013.

Review of the Results.

Sales during the period were recorded Rs.155.375 Million in comparison to last years same period Rs.197.645 Million.

During this period the Operating (Distribution, Administrative & Other) expenses were 9.24 to sales, in comparison to Rs.8.26% in the same period last year. Gross profit for this period is 21.09% in comparison to 18.70% during the same period last year. Financial charges to sales were recorded as 2.61% in comparison to 2.09% in the same period in last year. Cost of goods sold are 78.91% in comparison to 81.30% in the same period last year.

In the coming days:

Keeping in mind the increase in demand of our products, addition in our production capacity is needed, therefore, increase in building and machinery is in process. This increase is not only going to increase our production capacity but also reduce the cost of production for better profits.

We appreciate the efforts of our staff members and our valued customers for their trust in us. The cooperation of our suppliers and bankers are appreciated for their continuous support towards us.



On behalf of the Board
(ASHFAQ AHMAD)
Chief Executive Officer

**ASHFAQ TEXTILE MILLS LIMITED.
BALANCE SHEET (UN-AUDITED)
AS AT SEPTEMBER 30, 2013.**

CAPITAL & LIABILITIES:	SEPTEMBER 30, 2013 RUPEES	JUNE 30, 2013 RUPEES
SHARE CAPITAL AND RESERVES:		
AUTHORISED CAPITAL:		
100,000,000 Ordinary Shares of Rs. 10/= each	1,000,000,000	1,000,000,000
ISSUED, SUBSCRIBED & PAID UP:		
26,238,750 (2013 : 26,238,750) Ordinary Shares of of Rs. 10/= each fully paid in cash.	262,387,500	262,387,500
Reserves	218,935,920	204,742,895
	481,323,420	467,130,395
SURPLUS ON REVALUATION OF FIXED ASSETS:	109,396,275	111,259,531
NON CURRENT LIABILITIES:		
Deferred liabilities		
Staff retirement gratuity	12,717,619	12,301,869
CURRENT LIABILITIES:		
Trade and Other Payables	25,149,676	25,093,923
Current portion of long term financing	50,000,000	50,000,000
Short term bank borrowings	61,511,200	72,964,000
Provision for Taxation - income tax	9,435,796	7,402,749
	146,096,672	155,460,672
	749,533,986	746,152,467
PROPERTIES & ASSETS:	SEPTEMBER 30, 2013 RUPEES	JUNE 30, 2013 RUPEES
FIXED CAPITAL EXPENDITURE:		
Property, plant and equipment	473,603,142	461,730,653
Long Term Deposits	4,504,782	4,504,782
	478,107,924	466,235,435
CURRENT ASSETS:		
Store, Spares & loose tools.	33,235,889	28,509,754
Stock-in-trade	72,116,159	85,961,448
Trade Debts	120,512,895	110,506,849
Loans, advances	17,146,231	19,666,520
Deposits and Prepayments	4,239,260	373,815
Other receivables.	4,544,464	6,079,439
Tax refunds due from Government	17,479,763	14,194,889
Cash and bank balances.	2,151,401	14,624,318
	271,426,062	279,917,032
	749,533,986	746,152,467

The annexed notes form an integral part of these condensed interim financial statements.

DATED: OCTOBER 30, 2013.
PLACE: FAISALABAD.


CHIEF EXECUTIVE


DIRECTOR

**ASHFAQ TEXTILE MILLS LIMITED.
PROFIT & LOSS ACCOUNT (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2013.**

	NOTE	SEPTEMBER 30, 2013 RUPEES	SEPTEMBER 30, 2012 RUPEES
SALES		155,375,503	197,644,636
COST OF GOODS SOLD	6	122,613,735	160,681,925
GROSS PROFIT		32,761,768	36,962,711
Distribution cost		3,640,619	9,012,668
Administrative expenses		10,706,739	6,436,102
Other Operating Expenses		1,803	869,180
Finance cost		4,049,793	4,130,330
		18,398,954	20,448,280
PROFIT BEFORE TAXATION.		14,362,814	16,514,431
Provision for taxation		2,033,047	1,903,699
PROFIT FOR THE YEAR		12,329,767	14,610,732
Earning per share - Basic		0.47	2.09

The annexed notes form an integral part of these condensed interim financial statements.

DATED: OCTOBER 30, 2013.
PLACE: FAISALABAD.


CHIEF EXECUTIVE


DIRECTOR

ASHFAQ TEXTILE MILLS LIMITED.
STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2013.

	<u>SEPTEMBER 30, 2013 RUPEES</u>	<u>SEPTEMBER 30, 2012 RUPEES</u>
Profit for the period	12,329,767	14,610,732
Other comprehensive income for the period		
Incremental depreciation on revalued assets	1,863,258	2,061,598
Total comprehensive income for the period	<u>14,193,025</u>	<u>16,672,330</u>

The annexed notes form an integral part of these condensed interim financial statements.

DATED: OCTOBER 30, 2013.
PLACE: FAISALABAD.


CHIEF EXECUTIVE


DIRECTOR

ASHFAQ TEXTILE MILLS LIMITED.
STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2013.

Description	Issued, subscribed and Paid-up Capital Rupees	Unappropriated Profit Rupees	Total Rupees
Balance as at July 01, 2012	69,970,000	180,472,575	250,442,575
Total comprehensive income for the period			
Total comprehensive income for the period	-	68,501,428	68,501,428
Incremental depreciation on revalued		8,246,392	8,246,392
Ordinary shares issued during the year	139,940,000	-	139,940,000
Bonus shares issued during the year (One share for each four shares held)	52,477,500	(52,477,500)	-
	192,417,500	24,270,320	216,687,820
Balance as at June 30, 2013	262,387,500	204,742,895	467,130,395
Total comprehensive income for the period			
Profit for the period	-	12,329,767	12,329,767
Incremental depreciation on revalued assets for the period	-	1,863,258	1,863,258
	-	14,193,025	14,193,025
Balance as at September 30, 2013	262,387,500	218,935,920	481,323,420

The annexed notes form an integral part of these condensed interim financial statements.

DATED: OCTOBER 30, 2013.
PLACE: FAISALABAD.


CHIEF EXECUTIVE

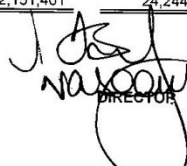

DIRECTOR

ASHFAQ TEXTILE MILLS LIMITED.
CASH FLOW STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2013.

	SEP. 30, 2013 RUPEES	SEP. 30, 2012 RUPEES
CASH FLOW FROM OPERATING ACTIVITIES:		
Profit for the period before taxation.	10,214,456	16,514,431
Adjustments for:		
Depreciation	7,588,882	7,688,152
Provision for staff retirement gratuity	1,000,000	675,000
Loss on disposal of property, plant and equipments	1,803	-
Finance Cost	4,049,793	4,130,330
Operating cash flows before working capital changes	<u>22,854,934</u>	<u>29,007,913</u>
Changes in working capital		
(Increase) / decrease in current Assets:		
Store, spare & loose tools.	(5,726,135)	(939,669)
Stock in trade	18,993,647	(10,379,694)
Trade debts	(10,006,046)	(16,222,649)
Loans, advances,	2,520,289	2,054,714
Deposits and prepayments	(3,865,745)	(2,565,680)
Other receivables	1,534,975	(128,992)
Tax refunds due from Government.	(3,284,874)	(256,238)
Increase / (decrease) in current liabilities.		
Trade and other payables	552,281	(15,477,783)
Net cash flow from changes in working capital	<u>718,392</u>	<u>(43,915,991)</u>
Cash generated from / (used in) operations.		
Finance cost paid	(3,273,371)	(2,093,187)
Taxes paid	(2,033,047)	(1,895,478)
Staff retirement gratuity paid	(584,250)	(810,000)
Net cash generated from operating activities	<u>(5,890,668)</u>	<u>(4,798,665)</u>
Cash flows from investing activities		
Additions property, plant and equipment	(11,836,489)	(3,832,383)
Long term deposits	-	(4,800)
Net cash (used in) investing activities	<u>(11,836,489)</u>	<u>(3,837,183)</u>
Cash flows from financing activities		
Long term financing paid	-	(70,330,000)
Net (decrease) increase in short term bank borrowings	(18,319,086)	(58,345,702)
Share subscription money	-	127,948,900
Net cash (used in) financing activities	<u>(18,319,086)</u>	<u>(726,802)</u>
Net (decrease) increase in cash and cash equivalents	<u>(12,472,917)</u>	<u>(24,270,728)</u>
Cash and cash equivalent at the beginning of the year	14,624,318	48,515,038
Cash and cash equivalents at the end of the year	<u>2,151,401</u>	<u>24,244,310</u>

DATED: OCTOBER 30, 2013.
PLACE: FAISALABAD.


CHIEF EXECUTIVE


DIRECTOR

ASHFAQ TEXTILE MILLS LIMITED.
NOTES TO THE FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2013.

- 1 The Principal activity of the Company is manufacturing of Greigh Cloth.
- 2 These accounts have been prepared in accordance with the requirements of International Accounting Standard (IAS) 34 "Interim Financial Reporting".
- 3 The accounting policies adopted for preparation of these quarterly accounts is the same as adopted in the preceding annual published accounts of the company.
- 4 The quarterly accounts are unaudited and being submitted to the shareholders as required u/s 245 of the Companies Ordinance 1984.
- 5 Amount set aside for workers profit participation fund is provisional, final liability will be determined on the basis of annual results.

	SEPTEMBER 30, 2013 <u>RUPEES</u>	SEPTEMBER 30, 2012 <u>RUPEES</u>
6 COST OF SALES:		
Raw material consumed	42,827,460	83,758,570
Stores & spares consumed	4,894,916	4,987,971
wages salaries and amenities	20,397,068	19,041,897
Sizing expenses	9,992,236	11,880,506
Dying Charges	467,488	687,836
Freight, loading, unloading	578,238	1,373,373
Repair & Maintenance	259,911	1,144,731
Fuel & Power	27,008,000	16,722,557
Depreciation	6,840,257	7,286,632
Insurance	1,199,470	801,780
	<u>114,465,044</u>	<u>147,685,853</u>
Work in process:		
Opening stock	9,662,020	14,963,302
Closing stock	(7,855,297)	(18,033,286)
	<u>1,806,723</u>	<u>(3,069,984)</u>
	116,271,767	144,615,869
Finished Goods		
Opening stock	50,339,673	50,943,025
Closing stock	(43,997,705)	(34,876,969)
	<u>6,341,968</u>	<u>16,066,056</u>
	<u>122,613,735</u>	<u>160,681,925</u>

- 7 Transactions with Associated Undertakings.
- 8 Figures have been rounded off to the nearest rupee.

DATED: OCTOBER 30, 2013.
PLACE: FAISALABAD.


CHIEF EXECUTIVE


DIRECTOR